

## **PART I**

### **Manufacturers' Firearms Entering Into Commerce**

In enforcing the Gun Control Act, the National Firearms Act, and the firearms excise tax provisions of the Internal Revenue Code, ATF collects information on the manufacture, importation, and exportation of firearms. This section presents information on current firearms manufacturers and their reported sales, along with a discussion of the procedures to import and export firearms.

#### **Manufacturers' Sales, Exports, and Imports**

There are currently more than 1,700 licensed firearms manufacturers and nearly 750 licensed importers in the United States. A Federal firearms license is required to engage in the business of manufacturing or importing firearms. These businesses are required by law to maintain records of the production, exportation, and importation of firearms.

Manufacturers' reports to ATF show the number of manufactured firearms "disposed of in commerce" each calendar year, as well as the number produced for export. The term "disposed of in commerce" refers to manufacturers' final sales, which equal the number of firearms produced minus the increase in manufacturers' inventories of

firearms. In 1999, the most recent year for which information is available, manufacturers disposed of more than 1.3 million handguns and nearly 2.6 million rifles and shotguns in commerce. Detailed production information from these reports can be found in the appendix to this report.

Importation and exportation statistics may also be found in the appendix to this report. Trends show that imports over the past 10 years have averaged 1 million per year, while exports have averaged less than 400,000 per year during the same time period.

#### **Regulation of Firearms Importation and Exportation**

The process of importing and exporting firearms to and from the United States is overseen by several Federal agencies. ATF administers the import provisions of the Gun Control Act, the National Firearms Act, and the Arms Export Control Act. This includes the approval or denial of applications to import firearms and ammunition for persons, businesses and governmental entities who wish to import such materials into the United States.

ATF also provides technical advice and assistance to the general public regarding import requirements applicable to any firearms or ammunition that they are bringing into the United States from another country (see "Technical Assistance to Manufacturers and Importers" below).

The Office of Defense Trade Controls within the Department of State regulates the exportation of firearms other than sporting

shotguns. A person wishing to export such a firearm must obtain an exportation license from the Department of State prior to the firearm's shipment. Within the Department of Commerce, the Bureau of Export

Administration regulates the exportation of sporting shotguns with barrels between 18 and 28 inches in length. A general license is required to export sporting shotguns.

## **Statutory Requirements for Importation**

The Gun Control Act of 1968 (GCA) generally prohibits the importation of firearms into the United States. However, the GCA creates four categories of firearms that the Secretary of the Treasury must authorize for importation: These include firearms that are (1) being used for scientific or research purposes, or particular competition or training purposes, (2) unserviceable firearms (other than machineguns) that are designated as curios

or museum pieces, (3) firearms that were previously taken out of the United States by the person who is bringing them back, and (4) firearms--other than National Firearms Act and surplus military weapons--that are of a type "generally recognized as particularly suitable for or readily adaptable to sporting purposes" (the "sporting purposes" test). Firearms in this final category comprise the majority of those that are imported into the United States.

## **Technical Assistance to Manufacturers and Importers**

ATF maintains a staff of firearms technology specialists who provide technical advice and services for manufacturers and importers of firearms.

These specialists conduct examinations of firearms and related products, including industry prototypes, and make determinations on the importability of certain firearms (e.g., whether the firearm meets the sporting purposes test).

The staff also classifies weapons in order to support law enforcement investigations and programs. Weapons classifications include machineguns, silencers, semiautomatic assault weapons, and a wide assortment of pistols, revolvers, rifles, shotguns, and firearms-related accessories. Specialists also respond to numerous inquiries from manufacturers and importers, other Federal firearms licensees, and the general public.